

National Housing Infrastructure Facility: Frequently asked questions

1. What is the National Housing Infrastructure Facility (“NHIF”)?

The NHIF is a \$1 billion facility administered by the National Housing Finance and Investment Corporation (“**NHFIC**”), established by the Australian Government under the *National Housing Finance and Investment Corporation Act 2018* (Cth). The NHIF is a separate source of funding from the Affordable Housing Bond Aggregator (which is also administered by the NHFIC).

The NHIF provides eligible applicants with funding (in the form of concessional loans, grants and equity investments) for critical infrastructure projects to support new housing supply, particularly affordable housing.

2. What finance is on offer under the NHIF?

Under the NHIF, concessional loans (“**NHIF Loans**”), grants (“**NHIF Grants**”) and/or equity investments (“**NHIF Equity Investments**”) (together “**NHIF Finance**”) are available to successful applicants.

Applicants can apply for any combination of NHIF Loans, NHIF Grants and/or NHIF Equity Investments. In the context of NHIF Grants, the NHFIC will give priority to grant proposals seeking other forms of NHIF Finance as part of a blended financing arrangement.

Concessional loan finance (such as longer tenor and/or lower interest rates than offered by commercial financiers) will be determined on a case by case basis.

3. Who is eligible to apply for NHIF Finance?

You must be one of the following types of applicants in order to be eligible for NHIF Finance:

- an Australian State or Territory;
- a local governing body as defined in section 4 of the *Local Government (Financial Assistance) Act 1995* (Cth);
- a local government-owned investment corporation or utility provider that is a corporation engaged in substantial financial or trading activities;
- a State government-owned utility provider that forms part of the State or that is a corporation engaged in substantial financial or trading activities;
- a Territory government-owned utility provider;
- a registered community housing provider; or
- an entity that is a special purpose vehicle (that has at least one member that is one of the above types of eligible applicants).

You must also have an “eligible project” which you propose will be funded by NHIF Finance (see FAQ question 4 for further information about what constitutes an “eligible project”).

4. What types of projects are eligible to be funded by NHIF Finance?

Projects that are eligible for NHIF Finance must:

- provide critical infrastructure to support new housing (particularly new affordable housing) – eligible projects are not limited to projects that support new affordable housing and can be infrastructure projects that support the increase of housing generally; and
- demonstrate “additionality” i.e. the infrastructure project would be unlikely to proceed, or would be likely to proceed only at a much later date, or with a lesser impact on new affordable housing, without financing provided by the NHFIC.

Examples of projects that may be funded by NHIF Finance include (but are not limited to):

- new or upgraded infrastructure for services such as water, sewerage, electricity, telecommunications or transportation; and
- site remediation works including the removal of hazardous waste or contamination.

Please refer to the NHIF Guidelines for further information about whether your project is eligible for NHIF Finance.

5. What materials should I read before applying for NHIF Finance?

Applicants should review the following documents before applying for NHIF Finance:

- the NHIF Guidelines (which contains more detailed information about the types of NHIF Finance, the application process, assessment criteria and eligibility criteria); and
- the NHIF Indicative Terms, which are available upon request from a NHFIC relationship manager, which summarises key terms in the template NHIF Facility Agreement and Common Terms Agreement for the provision of loans and grants to successful applicants.

6. How do I make an application for NHIF Finance?

Applicants are encouraged to discuss their application and proposal with the NHFIC before submitting an application (see FAQ question 11 for the NHFIC’s contact details).

Applicants for a NHIF Loan and/or NHIF Grant are required to complete an Expression of Interest Form (“**EOI Form**”) (which will be made available on the NHFIC website at www.NHFIC.gov.au and also available upon request from the NHFIC). Completion of this form will allow the NHFIC to assist applicants with advancing their NHIF application and will also assist with determining applicants’ eligibility for NHIF Finance.

The EOI form will be made available once our relationship management team is in place. In the interim, you can discuss the requirements which are anticipated to apply to AHBA loans with Treasury officials by contacting NHFIC.

The NHFIC may be contacted on 1800 549 767 or via email at inquiries@nhfic.gov.au.

Following submission of an EOI form, NHIF Loan and/or NHIF Grant applicants may be invited to submit an Application Form (which will be provided by the NHFIC following submission of the EOI Form). Further details about these forms, supporting documentation and information requested, and the application process are outlined in the NHIF Guidelines.

Applicants interested in applying for a NHIF Equity Investment are required to contact the NHFIC to discuss their application (further information about the NHIF Equity Investment application process is outlined in the NHIF Guidelines).

7. Will I need to provide security?

The NHFIC will only provide NHIF Loans where the NHFIC has obtained security for the loan at a level that is appropriate, having regard to the risk to the NHFIC and the Commonwealth. Security provided may include one or a combination of the following:

- registered real property and leasehold mortgages over the applicant's property;
- specific security agreements over shares in the applicant;
- side deeds may be required as appropriate; and
- any other security the NHFIC considers necessary.

Please refer to the NHIF Guidelines for further details about the provision of security.

8. What happens once my EOI Form is submitted?

Once your EOI Form is submitted, you will be contacted by a NHFIC relationship manager to further discuss your application. The NHFIC relationship manager will be your point of contact for all matters relating to your application.

Suitable applications will first be developed in consultation with the NHFIC relationship manager prior to them being submitted to the NHFIC for assessment.

The submission of an EOI Form does not oblige the NHFIC to progress any NHIF Finance application beyond discussions with a NHFIC relationship manager (and there is no assurance that any such application will move beyond such discussions), nor for the NHFIC relationship manager to develop, or NHFIC to assess, any such application.

The NHFIC will assess your application using the eligibility criteria and assessment criteria outlined in the NHIF Guidelines (and prescribed by the Investment Mandate).

The NHFIC will notify applicants of the outcome of their application in writing, including reasons for a decision to decline an application.

9. What are the criteria used to assess a NHIF Finance application?

The criteria which are used to determine whether an applicant is eligible for NHIF Finance (the "eligibility criteria"), and the criteria used to assess a NHIF Finance application (the "assessment criteria") are detailed in the NHIF Guidelines.

10. What are the indicative terms for provision of NHIF Loans and NHIF Grants?

The Indicative Terms, which are available upon request from a NHFIC relationship manager, outline the key commercial terms and conditions that are to be included in the finance documents for NHIF Loans and NHIF Grants.

Finance documents for NHIF funding (including the NHIF Facility Agreement, Common Terms Agreement and any security documents) may require amendment to take into account project specific considerations or any other considerations identified by the NHFIC.

11. How do I contact the NHFIC?

You can contact the NHFIC to make enquiries about submitting a NHIF Finance application, the status of your application or make any other NHIF enquiries by:

- Calling: 1800 549 767; and/or
- Emailing: inquiries@NHFIC.gov.au.